

1 Timothy C. Karen, Esq., SBN 117071  
2 LAW OFFICES OF TIMOTHY C. KAREN  
3 1307 Stratford Court, Suite 3  
4 Del Mar, California 92014  
5 (858) 259-7790

6 Attorney for Petitioner Jack F. Kennedy, III

7  
8 **SUPERIOR COURT FOR THE STATE OF CALIFORNIA**  
9  
10 **FOR THE COUNTY OF SAN DIEGO, PROBATE DEPARTMENT**

11 In re: ) Case No. 37-2008-00151642-PR-TR-CTL  
12 )  
13 Amended and Restated Kennedy Living Trust ) **DECLARATION OF TIMOTHY C.**  
14 Dated: March 22, 2002 ) **KAREN IN SUPPORT OF EX PARTE**  
15 ) **APPLICATION FOR ORDER**  
16 ) **APPROVING OF SETTLEMENTS**  
17 ) **REGARDING AMENDED AND**  
18 ) **RESTATED KENNEDY LIVING TRUST**  
19 ) **DATED: MARCH 22, 2002**  
20 )  
21 Lisa Kennedy, )  
22 ) The Honorable Julia C. Kelety  
23 Interested Party. ) Department: PC-2  
24 )  
25 ) Hearing Date:  
26 ) Time:  
27 )  
28 )

21 I, Timothy C. Karen, declare as follows:

22 1. That I am an attorney duly licensed by the State of California and the attorney of record  
23 for the Petitioner in this case.

24 2. The Court has previously heard and ruled upon a petition filed by my client seeking a  
25 judicial declaration under Probate Code §21320. That petition concerned two proposed legal  
26  
27  
28

1 proceedings involving his father<sup>1</sup>: 1) a petition challenging the validity of the fourth amendment to the  
2 Amended and Restated Kennedy Living Trust Dated March 22, 2002 (the "Trust Challenge Case") and  
3 2) a proposed complaint for elder abuse involving Nancy Kennedy, the deceased mother of my client  
4 and the former wife of Respondent (the "Elder Abuse Case"). The Court granted the petition and the  
5 Court's ruling is the subject of an appeal.  
6

7 3. In addition to the above, I represent Petitioner in connection with, inter alia, two other  
8 legal proceedings: 1) a lawsuit for wrongful termination of employment against Respondent and the  
9 family Cadillac dealership, Kennedy Cadillac, Jack F. Kennedy III v. Jack F. Kennedy, et al., San Diego  
10 Superior Court Case Number 37-2008-00086320-CU-WT-CTL (the "Wrongful Termination Case"), and  
11 2) an ongoing dispute over unpaid alimony and child support in the marital dissolution proceedings  
12 involving Petitioner's former spouse, Interested Lisa Kennedy, Kennedy v. Kennedy, San Diego  
13 Superior Court Case Number DN127261 (the "Support Case").  
14

15 4. A mediation was held between Petitioner, Respondent and the Interested Party affiliated  
16 with the University of California on January 22, 2009, and this mediation resulted in a rough verbal  
17 settlement of the instant case, the Trust Challenge Case, the Elder Abuse Case, and the Wrongful  
18 Termination Case. After several more months of negotiations, a written agreement was finalized. A  
19 copy of the settlement agreement has been attached as Exhibit "1" to the proposed order submitted  
20 herewith (the "Kennedy Trust Settlement"). The Kennedy Trust Settlement agreement has been signed  
21 by all of the beneficiaries of the Kennedy Trust except for Petitioner's daughter.  
22

23 5. After the finalization of the wording of the Kennedy Trust Settlement, but before it had  
24  
25

---

26  
27 <sup>1</sup> Petitioner's father is Respondent Jack F. Kennedy, a.k.a. Jack F. Kennedy II, a.k.a. Jack F.  
28 Kennedy, Sr., a.k.a. John Fitzgerald Kennedy, II.

1 been fully executed, Interested Party Lisa Kennedy filed a Petition in the instant case to freeze the  
2 settlement proceeds of the Kennedy Trust Settlement in order to insure that child support and alimony  
3 owed by Petitioner was paid out of the settlement. On May 26, 2009, the Court issued a temporary order  
4 freezing the settlement and this petition has been continued for a hearing on August, 5, 2009 at 1:30  
5 p.m.  
6

7           6.       After about two months of negotiations between myself and attorney Paul Daniel Marks,  
8 representing Lisa Kennedy, a written settlement in the form of a stipulation with an attached proposed  
9 order was finalized and signed, pursuant to which, the proceeds of the Kennedy Trust Settlement will  
10 be allocated between Petitioner and Interested Party Lisa Kennedy (the "Support Settlement"). This  
11 stipulation has been attached as Exhibit "2" to the proposed order.  
12

13           7.       The key terms of the Kennedy Trust Settlement can be summarized as follows: The  
14 Kennedy Trust By-Pass Trust will pay Petitioner \$10,000 upon the signing of the Kennedy Trust  
15 Settlement and an additional \$100,000 after this Court has approved of the Kennedy Trust Settlement -  
16 these payments will be an advance to Petitioner on his inheritance under the Kennedy Trust; a boat  
17 owned by the Survivor's trust will be swapped for real property owned by the By-Pass trust, and the boat  
18 will then be transferred to Petitioner as an advancement on his inheritance, and Petitioner will attempt  
19 to sell it; all litigation between the father and son will be terminated and all claims released as between  
20 them; the settlement will be null and void if the Court does not approve of it.  
21  
22

23           8.       The key terms of the Support Settlement can be summarized as follows: as to the  
24 consideration paid to Petitioner in the Kennedy Trust Settlement, Interested Party Lisa Kennedy will  
25 receive 60%, after the payment of my attorney's fees (a one-third contingency fee), and Petitioner will  
26 get 40%; Lisa Kennedy shall have a lien on the boat which cannot be used as a residence by Petitioner;  
27  
28

1 if there is any recovery in Jack F Kennedy v. Daniel T Hatt, et al., San Diego Superior Court Case  
2 Number 37-2008-00099329-CU-PN-CTL (the "malpractice case"), Interested Party Lisa Kennedy will  
3 receive 60% after the payment of my attorney's fees (a one-third contingency fee), and Petitioner will  
4 get 40%. Payments made to Lisa Kennedy will be first credited to unpaid child support, and after child  
5 support and interest on child support has been fully paid, will be credited on alimony and interest on  
6 alimony, until the same are paid in full, if possible. Any unpaid support or interest will remain due and  
7 payable.  
8

9  
10 9. The purpose of this ex parte is to ask the Court to issue an order approving of the  
11 Kennedy Trust Settlement and the Support Settlement.


12 10. At time of the filing of these papers, all of the beneficiaries of the Kennedy Trust had  
13 signed the Kennedy Trust Settlement, except for Petitioner's daughter, Alexandra Mae Kennedy a.k.a.  
14 "Lexie Kennedy."  
15

16 11. Lexie Kennedy was provided the settlement about two months ago, and she has stated  
17 to my staff and to me that she intends to sign the settlement and has no objection to it. However, she  
18 has recently retained an attorney, Mark Dunbar ("Dunbar") and Dunbar presumably will attend the  
19 hearing on this application. Dunbar will be served with these papers and notice of the hearing on this  
20 application, as will Lexie Kennedy. I am hopeful that before the hearing, I will have obtained Lexie  
21 Kennedy's signature on the Kennedy Trust Settlement.  
22

23 12. Petitioner, who formerly was a highly paid executive of the family Cadillac dealership,  
24 is presently financially destitute and is employed as a commission only boat salesman. Needless to say,  
25 boat sales are very slow. However, the bulk of the funding for the Kennedy Trust Settlement involves  
26 the transfer to Petitioner of a 65 foot boat, presently owned by the Survivor's Trust. It is Petitioner's  
27  
28

1 plan to immediately put the boat up for sale. In the present economy, boat sales are very depressed and  
2 the time to sell a large boat is in the summer time. If there is a delay of a month or two in connection  
3 with the Court's approval of the settlement, it may make it impossible for Petitioner to sell the boat.  
4 Moreover, Petitioner owes Interested Party Lisa Kennedy hundreds of thousands of dollars in unpaid  
5 support, both child support and alimony. The sale of the boat will fund the bulk of the payments to be  
6 made by Petitioner of this unpaid support. Therefore, time is of the essence if the settlement is to be of  
7 benefit to Petitioner and Interested Party.  
8

9 I declare under penalty of perjury under the laws of the State of California that the foregoing is  
10 true and correct. Executed on July 16, 2009 in the County of San Diego, State of  
11 California.  
12

13 By:   
14 Timothy C. Karen  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28